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making financial sense of the future


Annual Pensions Convention 2005

The De Vere Grand Hotel, Brighton, 5-7 June

All That Glistens Is Not Gold

Multi-Managers: What Are They ?

- Appointed Investment Manager
- They select fund managers, not stocks
- They hire and fire unilaterally




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Multi-Managers: Why Should They Exist ?

- They make money!
- Economies of scale (wholesaling)
- Specialisation
- Speed of response to news
- Neutralise unrewarded risks



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Multi-Managers: Have They Delivered ?

Balanced Funds	Year ending 31st March									
	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
	%	%	%	%	%	%	%	%	%	%
Northern Trust	10.4	22.6	-20.0	-3.1	-10.0	15.4	7.2	26.5	12.5	25.8
Ret. to Median	-0.7	-2.5	3.7	-0.7	-0.1	0.7	-0.1	1.2	1.3	3.1
Russell	11.1	24.9	-22.8	-1.0	-13.0					
Ret. to Median	0.0	-0.2	0.9	1.4	-3.1					
Skandia	10.3	24.2	-23.7	-1.4	-12.0	27.0	8.8	26.0	13.9	22.1
Ret. to Median	-0.8	-0.9	0.0	1.0	-2.1	12.3	1.5	0.7	2.7	-0.6
St James's Place	9.0	17.9	-21.9	-3.5	-7.6	14.4	3.0	21.9	9.0	23.4
Ret. to Median	-2.1	-7.2	1.8	-1.1	2.3	-0.3	-4.3	-3.4	-2.2	0.7
Median Return	11.1	25.1	-23.7	-2.4	-9.9	14.7	7.3	25.3	11.2	22.7

Source: CAPRI Pension Fund Update

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Multi-Managers: Esoteric Investment ?

- Smaller companies
- Emerging markets
- Hedge funds
- Private equity

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The End

- Discussion

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